

Additional Reporting Delivered Prior to Effective Date of the WIFIA Loan Agreement

The City of San Diego is providing this Additional Report pursuant to Section 22 (c) of the WIFIA Loan Agreement in connection with the Water System Portion of Pure Water San Diego Program Phase 1 North City Project (WIFIA – N17125CA).

- (i) **the estimated interest savings the Borrower is realizing through the use of the WIFIA Loan compared to comparable market rate financing;**

Compared to a comparable market rate financing, the WIFIA Loan provides an estimated nominal savings of \$85 million.

- (ii) **with respect to the report delivered on or before the Effective Date, the number of jobs projected to be created by the Project during the period between the Effective Date and the Substantial Completion Date;**

The City projects 480 jobs to be created by the Project during the period between the Effective Date and the Substantial Completion Date.

- (iii) **whether the Project will assist the Borrower in complying with applicable regulatory requirements, and if so, a narrative description describing such enhancements; and**

Implementation of the Pure Water Program will reduce wastewater flows and the associated pollutant loads from the influent of the terminal ocean discharging treatment plant in the system (Point Loma Wastewater Treatment Plant). As such the quality of the ocean discharge will be improved. Although the current ocean discharge is in complete compliance with its present permit requirements, this Pure Water offloading will result in a higher level of compliance with the discharge standards.

- (iv) **the amount by which the Project will increase the volume of water recycled, recharged or redirected (measured in MGD as of Substantial Completion).**

30 MGD.